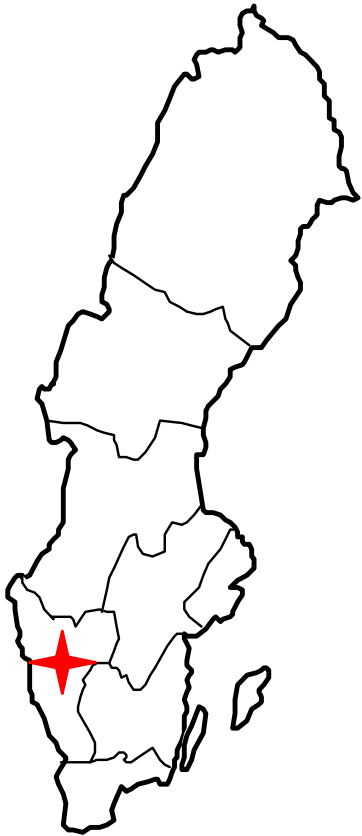


Volvo



Reference	EGF/2009/007
Member State	Sweden
Sector	Automotive industry
Submitted to European Commission	5 June 2009
Total budget planned	€15 137 960
EGF contribution	€9 839 674
Intervention criterion	Article 2 (a) Regulation (EC) No 1927/2006
Period of reference	From 1 December 2008 to 31 March 2009
Redundancies during period of reference	4,687 in total, of whom 2,258 in Volvo Cars and 2,429 in 23 of its suppliers and downstream producers. 3,126 have registered with the Public Employment Services.
Active employment measures	To be provided to 1,500 workers, include: <ul style="list-style-type: none"> - Guidance - Preparatory training - Training and retraining - Generation change - Entrepreneurship promotion - Aid for self-employment

BACKGROUND

- The redundancies are a consequence of the rapid decline in worldwide demand for cars caused by the global financial and economic crisis.
- Volvo Cars, owned by the Ford Motor Corporation, is exposed to the problems facing the US car market, which has been particularly seriously affected. The suppliers to Volvo Cars are heavily dependant on this main enterprise, since in most cases around 80 percent of their output is produced for Volvo Cars.
- The automotive industry is the single most important industrial cluster in Sweden. The region of Västsverige, where 73 % of the redundancies occurred, is suffering not only the redundancies from Volvo Cars, but also those from Saab and Volvo AB and their suppliers. The number of unemployed workers in March 2009 was 60 % higher than in March 2008.
- An innovative measure proposed is called *generation change*. This provides for younger workers to be coached by older workers about to reach retirement age, so as to ensure that valuable skills are passed down to the next generation while the older generation is still in place and available to do the training, coaching and mentoring. The redundant workers obtain these new skills by spending time at the workplace, together with the mentor, in the occupational segment where they are likely to find new jobs.